

Registration number: 00150236

Style Cafe Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2022

Style Cafe Limited

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Style Cafe Limited

(Registration number: 00150236) Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>5</u>	447,338	430,614
Investment property	<u>6</u>	2,250,309	2,250,309
		<u>2,697,647</u>	<u>2,680,923</u>
Current assets			
Stocks	<u>7</u>	348,764	235,268
Debtors	<u>8</u>	298,328	264,154
Cash at bank and in hand		31,865	71,525
		<u>678,957</u>	<u>570,947</u>
Creditors: Amounts falling due within one year	<u>9</u>	<u>(515,004)</u>	<u>(352,707)</u>
Net current assets		<u>163,953</u>	<u>218,240</u>
Total assets less current liabilities		2,861,600	2,899,163
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>(780,089)</u>	<u>(844,062)</u>
Net assets		<u>2,081,511</u>	<u>2,055,101</u>
Capital and reserves			
Called up share capital		134,900	134,900
Retained earnings		<u>1,946,611</u>	<u>1,920,201</u>
Shareholders' funds		<u>2,081,511</u>	<u>2,055,101</u>

Style Cafe Limited

(Registration number: 00150236) Balance Sheet as at 31 December 2022

For the financial year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 4 April 2023

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Mr R A Heap

Director

Style Cafe Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Vivary Mill
Vivary Way
Colne
Lancs
BB8 9NW

These financial statements were authorised for issue by the director on 4 April 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared in sterling (£) using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Government grants

Government grants in relation to tangible fixed assets are credited to the profit and loss account over the useful lives of the related assets, whereas those in relation to expenditure are credited when the expenditure is charged to the profit and loss.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Style Cafe Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	25% reducing balance
Motor vehicles	25% reducing balance
Freehold buildings	1% straight line

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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Notes to the Financial Statements for the Year Ended 31 December 2022

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

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Notes to the Financial Statements for the Year Ended 31 December 2022

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 7 (2021 - 5).

Style Cafe Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

4 Intangible assets

	Goodwill	Total
	£	£
Cost or valuation		
At 1 January 2022	38,000	38,000
At 31 December 2022	38,000	38,000
Amortisation		
At 1 January 2022	38,000	38,000
At 31 December 2022	38,000	38,000
Carrying amount		
At 31 December 2022	-	-

5 Tangible assets

	Land and buildings	Furniture, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 January 2022	418,247	8,542	59,785	486,574
Additions	-	12,969	46,750	59,719
Disposals	-	-	(36,885)	(36,885)
At 31 December 2022	418,247	21,511	69,650	509,408
Depreciation				
At 1 January 2022	20,913	6,281	28,766	55,960
Charge for the year	4,183	3,808	14,256	22,247
Eliminated on disposal	-	-	(16,137)	(16,137)
At 31 December 2022	25,096	10,089	26,885	62,070
Carrying amount				
At 31 December 2022	393,151	11,422	42,765	447,338
At 31 December 2021	397,334	2,261	31,019	430,614

Included within the net book value of land and buildings above is £393,151 (2021 - £397,334) in respect of freehold land and buildings.

Style Cafe Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

6 Investment properties

	2022 £
At 1 January	2,250,309
At 31 December	2,250,309

There has been no valuation of investment property by an independent valuer.

7 Stocks

	2022 £	2021 £
Other inventories	348,764	235,268

8 Debtors

	2022 £	2021 £
Trade debtors	278,965	253,051
Prepayments	-	10,816
Other debtors	19,363	287
	298,328	264,154

Style Cafe Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

9 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	<u>10</u>	275,424	82,696
Trade creditors		157,981	159,197
Amounts owed to group undertakings and undertakings in which the company has a participating interest		2,499	2,499
Taxation and social security		66,211	94,848
Accruals and deferred income		10,109	2,500
Other creditors		2,780	10,967
		515,004	352,707

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	<u>10</u>	780,089	844,062

10 Loans and borrowings

	2022 £	2021 £
Non-current loans and borrowings		
Bank borrowings	753,761	828,161
Hire purchase contracts	26,328	15,901
	780,089	844,062

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	74,400	74,400
Bank overdrafts	192,579	-
Hire purchase contracts	8,445	8,296
	275,424	82,696

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Notes to the Financial Statements for the Year Ended 31 December 2022

11 Financial commitments, guarantees and contingencies

Amounts disclosed in the balance sheet

Included in the balance sheet are financial commitments of £34,774 (2021 - £24,197). The above hire purchase contracts are secured against the assets they relate to.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.